

Ten BRAND CHALLENGES for Credit Unions going into 2010

1. **Misunderstanding what a Brand is and why it matters.**

It is important to have a Brand strategy that is embraced by the entire organization. If your staff doesn't get it you can't expect your members to embrace your brand.

2. **Lack of understanding in the marketplace that credit unions are ideal primary financial services providers** – not just a good place to get a vehicle loan. This means that credit unions must explain both the credit union concept and their own specific Brand stories.

3. **Communicating that Shared Branching and ATM networks** are competitive to the national presence of large banks. This is critical to a credit union's ability to compete against multi-branch banks (and credit unions). Yet most members have no idea what "shared branching" means or how competitive large ATM networks are compared to many large bank systems. Do not assume members know what "shared branching" means, or how to use it.

4. **Bad advertising and marketing** that obscure the Brand and fail to communicate the credit union's benefits can erode Brand value.

- ✓ Your marketing/messaging must be clear, straightforward and benefits oriented.
- ✓ Creative does matter – effective creative gets you noticed and it clearly states the benefits of using your credit union.
- ✓ All messages must be consistent building blocks for the Brand: advertising; signage; brochures; newsletters; statement messages; eLerts – every member touch point.

5. **Letting impatience trump consistency** throwing together ads, products, announcements, etc. without taking time to tie them to your Brand strategy is counter-productive.

6. **Overemphasis on reaching new members at the expensive of building more productive relationships with current members. Build Brand loyalty inside-out!**

Your current members are the best prospects for increasing product and service penetration. That's key to building a successful, stable financial services organization.

7. **Constantly changing things in search of the "magic bullet".**

Changing offers, ad mediums, products, etc. in search of the one magic key to prosperity is a death spiral. **There are no magic bullets beyond consistency and Brand clarity.**

8. **Thinking Business Development Reps will quickly and easily grow assets.**

Business Development Reps are only as good as they are managed and credit unions do not usually have experienced, effective sales managers on staff. Business Development Reps who are unskilled and untrained can do your Brand more harm than good.

9. **Working with a marketing budget that is too small to achieve marketing goals.**

Some annual marketing budget benchmarks:

- ✓ 0.25% of assets at a minimum for small institutions.
- ✓ 0.50% for a larger SEG, near community or small market community CUs.
- ✓ 0.75 - to - 1.50% for large/urban community charter CUs.

10. **Remembering that credit unions are chartered to lend money!**

That requires becoming a competitive retail marketer.

Paul J. Lucas is a national marketing and branding consultant who has worked with CUs and CUSOs in 32 states since 2000. For more information, go online, www.PaulJLucas.com or email Paul@PaulJLucas.com.

pauljucas
.com
Marketing/Branding Consulting...
GROW your CU/CUSO or business profitably!